

Foreign direct investment projects

The [TIPS Foreign Direct Investment Tracker](#) monitors FDI projects on a quarterly basis, using published information. In the third quarter of 2023 the Tracker added 28 new projects across six industries. The total pledged investment value for the reporting period amounts to R53.6 billion from 11 projects. This quarter, 10 pre-existing projects were updated in the Tracker.

New and existing projects

Two projects by Amazon Web Services, at R35 billion, accounted for two thirds of new investment recorded this quarter. As a result, services contribute the bulk of the projects in value terms, with mining coming in at almost R10 billion, utilities at R5 billion, retail at R2 billion, and construction at R1 billion. Eleven commitments were recorded in manufacturing, totalling almost R1 billion. Gauteng, the Western Cape and the Eastern Cape hold most of the projects recorded this quarter, and only the Free State and Mpumalanga did not register any. European companies accounted for the largest number of projects, although the Amazon investment, from the US, dwarfed them in value terms.

Table 2. FDI projects captured in third quarter 2023

Investor Company	Country of Origin	Pledged Value R billions	Location	Project Summary
Services: R35.2 billion				
Amazon Web Services	United States (US)	30	Multiple locations	Investment in local operations over the next 10 years
Amazon Web Services	US	4.5	Western Cape	Multi-purpose complex which will also house new African headquarters.
Moove	Netherlands	0.248	Multiple locations	Address the lack of access to vehicle financing through specialised fintech services for mobility entrepreneurs
Virgin Active South Africa	United Kingdom (UK)	0.430	Multiple locations	Refurbishing facilities (clubs) across the country and expanding activity offerings
Huawei	China	Not reported	Gauteng	Innovation centre that features Huawei's latest technologies and solutions including 5G and Cloud services.
Amazon Web Services	US	Not reported	Western Cape	Free training centre open to the community
Mining: R9.9 billion				
HBIS Group/ Palabra Mining Company	China	9,3	Limpopo	The Lift II copper project aims to extend the life of the underground mine to 2033.
Sylvania Metals (Sylvania Platinum Limited)/ Limberg	Bermuda	0.693	Limpopo	Processing of PGM and chrome ores from the Limberg Chrome Mine and, and new secondary beneficiation plant.

Investor Company	Country of Origin	Pledged Value R billions	Location	Project Summary
Mining Company (South Africa)				
Utilities: R5.1 billion				
Scatec	Norway	5.1	North West	Developing three Grootfontein solar power plants. Preferred bidders in the fifth round of Renewable Energy Independent Power Producer Procurement Programme (REIPPPP)
Air Products South Africa/ Mulilo	US	Not reported	Northern Cape	Solar farm that will be jointly owned by Air Products and Mulilo
Pan African Resources	UK	Not reported	Gauteng	10 MW solar PV facility at its Mogale operations
G7 Renewable Energy/ ENGIE	France	Not reported	Western Cape	Oya Energy 128 MW Hybrid Project
AMEA Power	United Arab Emirates (UAE)	Not reported	North West	85MW solar PV power plant
AMEA Power	UAE	Not reported	Gauteng	New regional hub to focus on developing local market
Wholesale and retail trade: R2 billion				
Tinley Leisure Pty Ltd./ Fosun International (Club Med)/ Collins Residential and others	China	2	KwaZulu-Natal	Club Med Tinley beach resort and safari.
Stellantis/ Eurorepar	Netherlands	Not reported	Not Reported	Retail of Automotive parts and accessories.
Construction: R1.2 billion				
Lurra Capital	Switzerland	1.2	Western Cape	Biophilic mixed-use residential and commercial development
Manufacturing: R89 million				
Nestlé South Africa	Switzerland	0.079	Gauteng	Manufacturing plant that for coffee mixes including Nescafé Gold range which were previously imported
ABB	Switzerland	0.01	Gauteng	ABB expanded capacity of production plant to manufacture previously switchgear

Investor Company	Country of Origin	Pledged Value R billions	Location	Project Summary
Benteler South Africa	Austria	Not reported	Eastern Cape	Expansion of the manufacturing plant and addition of new hot forming line at the plant.
Reifenhäuser Group	Germany	Not reported	KwaZulu-Natal	Established a subsidiary that will serve that will directly serve the Southern African market
CRH-Africa	Ireland	Not reported	Eastern Cape	Collectively pledged investment at the 2023 National Association of Automotive Component and Allied Manufacturers (NAACAM). Specific information on what respective investment would entail was not reported.
IBO Group	Spain	Not reported	Not Reported	
PG Group	France	Not reported	Multiple Locations	
Bridgestone	Japan	Not reported	North West	
Continental tyres	Germany	Not reported	Eastern Cape	
Goodyear	US	Not reported	Eastern Cape	
Sumitomo Rubber South Africa/ Dunlop	Japan	Not reported	KwaZulu-Natal	Local production capacity and product lines. Also made a commitment at NAACAM

Note: Numbers may not always sum to the exact total investment amounts due to rounding.

Source: TIPS FDI Tracker database.

In terms of investment phase, most of the projects have only been announced, including the Amazon investment.

Table 3. Value of projects by investment stage and type, third quarter 2023, in billions of rand

Investment stages		Announced	Pre-feasibility	Project-preparation	Construction/Implementation	Complete	Total value by stage	Number of projects by type
Investment type	Greenfield	2	Not reported	5.1	4.5	Not reported	11.6	9
	Brownfield	0.693	-	-	10.5	0.079	11.2	4
	Expansion	30	-	-	0.284	-	30.2	6
	Upgrade	Not reported	-	-	0.430	0.01	0.147	3
	Not reported	Not reported	-	-	-	2	Not reported	6
Total value by stage		32.7	Not reported	5.1	15.7	0.09		
Number of projects by stage		11	1	4	5	7		

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Source: TIPS FDI Tracker database.